

EXHIBIT E

SUMMARY TERMS OF RETIREE CLAIMS MODIFICATIONS

FOMB PROPOSED TERMS FOR RESTRUCTURING OF RETIREE OBLIGATIONS

In re Commonwealth of Puerto Rico, Title III Case No. 17 BK 3283-LTS

April 27, 2019

THIS SUMMARY OF TERMS IS NOT AN OFFER WITH RESPECT TO ANY SECURITIES OR A SOLICITATION OF ACCEPTANCES OF A PLAN OF ADJUSTMENT FOR PURPOSES OF PROMESA, SECTIONS 1125 AND 1126 OF THE BANKRUPTCY CODE OR OTHERWISE. ANY SUCH OFFER OR SOLICITATION WILL COMPLY WITH ALL APPLICABLE SECURITIES LAWS AND/OR PROVISIONS OF PROMESA AND THE BANKRUPTCY CODE. NOTHING CONTAINED IN THIS SUMMARY OF TERMS SHALL BE AN ADMISSION OF FACT OR LIABILITY OR, UNTIL THE OCCURRENCE OF THE AGREEMENT EFFECTIVE DATE ON THE TERMS DESCRIBED HEREIN, DEEMED BINDING ON ANY OF THE PARTIES HERETO.

This is a summary of proposed indicative terms for a restructuring of the outstanding retiree obligations for the Commonwealth of Puerto Rico. This summary is for settlement purposes only and is not a commitment by any party to enter into a transaction. The agreement of the parties shall be subject to execution and delivery of definitive documentation. If executed, the terms of such definitive documentation shall control.

This summary and related discussions are confidential and entitled to the protection of Rule 408 of the Federal Rules of Evidence and any other applicable statutes or doctrines protecting the use or disclosure of confidential information or settlement discussions. The proposed terms remain subject to further negotiation and analysis, and nothing herein shall be an admission of fact or any liability, a waiver of any right or claim, or be deemed binding on any party.

Definitions

Retirees

All current, former, active, inactive, and disabled employees (and their beneficiaries) who, as of May 3, 2017, held an accrued pension or annuity benefit (or were beneficiaries thereof) as participants of one of the following:

- Employees Retirement System (ERS)
- Teachers Retirement System (TRS)
- Judiciary Retirement System (JRS);

except for active employees who are participants in the System 2000 program and whose accrued pension benefits are subject to a separate agreement reached on their behalf by AFSCME with the FOMB on behalf of the Commonwealth, to the extent applicable.

Appropriation and Payment of Residual Benefits	The residual Total Monthly Retirement Benefit due to each Retiree after the terms herein are met will be appropriated and paid on a Pay As You Go (“PayGo”) basis each year by the Commonwealth until all such benefits owed to each Retiree have been paid.
Monthly Base Pension	Monthly Base Pension is the monthly pension payment made to a Retiree, excluding all other benefits, such as the Christmas Bonus, Summer Bonus, Medicine Bonus, and Medical Insurance benefit.
Total Monthly Retirement Benefit	The Total Monthly Retirement Benefit that will be measured against the Threshold for the purposes of applying cuts pursuant to the Total Cut Formula is calculated by adding together the Monthly Base Pension benefit, plus the annual Christmas Bonus (if any) divided by 12 (the “Monthly Christmas Bonus”), plus the annual Summer Bonus (if any) divided by 12 (the “Monthly Summer Bonus”), plus the annual Medicine Bonus (if any) divided by 12 (the “Monthly Medicine Bonus”), but excluding any monthly Medical Insurance benefit.
Benefit Reduction Commencement Date	The date on which the reduction/cut described in the Total Cut Formula will first be applied to benefits paid by the Commonwealth.
PayGo Pension Board	The independent pension oversight entity to be created pursuant to the Commonwealth Plan of Adjustment in a form acceptable to the FOMB, the Retiree Committee, and the Government, to monitor PayGo administration for the benefit of Retirees from and after confirmation of the Plan of Adjustment.

**ADDENDUM TO THE TERMS FOR RESTRUCTURING OF RETIREE OBLIGATIONS
(AS OF APRIL 27, 2019)**

In re Commonwealth of Puerto Rico, Title III Case No. 17 BK 3283-LTS

August 23, 2019

This Addendum addresses the limited number of Retirees who would experience lower cuts to their retirement benefits under the approach originally proposed by the Financial Oversight and Management Board (the “FOMB”) in its certified Fiscal Plans to date (the “FOMB Original Proposal”) relative to the cuts that would be experienced under the approach in the Plan Support Agreement (the “PSA”) entered into by and between the FOMB and the Official Committee of Retired Employees of Puerto Rico (the “Retiree Committee”) (the “PSA Original Proposal”).¹ This Addendum incorporates the terms of the FOMB Original Proposal into the PSA and ensures that, subject to any specific provisions of the PSA itself, including but not limited to section 5.17, each Retiree holding an impaired Retiree Claim shall receive the more favorable treatment under either the PSA Original Proposal or the FOMB Original Proposal. The terms hereof are intended solely to supplement, and not modify, the terms of the existing PSA, including Exhibit A to the PSA.

Addendum to the Definitions

PSA Originally Proposed Monthly Benefit Reduction	Reduction amount, in US dollars, to the Total Monthly Retirement Benefit as a result of the Total Cut Formula (per Exhibit A to the PSA)
FOMB Originally Proposed Monthly Benefit Reduction	Reduction amount, in US dollars, to the FOMB OP Total Monthly Retirement Benefit as a result of the FOMB Originally Proposed Cut Formula
Effective Monthly Benefit Reduction	The lower of (i) the PSA Originally Proposed Monthly Benefit Reduction and (ii) the FOMB Originally Proposed Monthly Benefit Reduction
Total Monthly Retirement Benefit as Originally Proposed by FOMB (the “FOMB OP Total Monthly Retirement Benefit”)	The sum of (i) the Total Monthly Retirement Benefit and (ii) the Monthly Medical Insurance Benefit, if Retiree receives this benefit
Threshold Over Which FOMB Originally Proposed Cuts Apply (the “FOMB OP Threshold”)	\$1,000 per month for those Retirees without Social Security benefits or \$600 per month for those Retirees with Social Security benefits

¹ All capitalized terms not defined herein shall have the meanings ascribed to them in the Terms for Restructuring of Retiree Obligations attached as Exhibit A to the PSA.

Addendum to the Provisions of the Proposal

FOMB Originally Proposed Cut Formula

The FOMB Originally Proposed Monthly Benefit Reduction amount shall be calculated as follows:

Step 1: Subtract the FOMB OP Threshold (\$1,000 if the Retiree is not eligible for Social Security or \$600 if the Retiree is eligible for Social Security) from the FOMB OP Total Monthly Retirement Benefit. If the resulting figure is \$0.00 or less, the Retiree is not subject to any benefit reduction.

Step 2: If the resulting figure from Step 2 is more than \$0.00, calculate the FOMB Originally Proposed Monthly Benefit Reduction by multiplying the resulting figure by 25%. This amount is the FOMB Originally Proposed Monthly Benefit Reduction.

Effective Total Cut Formula

The Effective Monthly Benefit Reduction, which is the applicable monthly benefit reduction to the Retiree, is the lower of (i) the PSA Originally Proposed Monthly Benefit Reduction and (ii) the FOMB Originally Proposed Monthly Benefit Reduction.

If the lower amount is the PSA Originally Proposed Monthly Benefit Reduction, all provisions under the Total Cut Formula (per Exhibit A to the PSA) will be applied to the Retiree.

If the lower amount is the FOMB Originally Proposed Monthly Benefit Reduction, the Retiree will experience a benefit reduction in the amount equal to the FOMB Originally Proposed Monthly Benefit Reduction. The order in which each component of the Retiree's benefits is being reduced or eliminated shall be the same as provided in the Total Cut Formula.

Under no circumstances shall the Retiree experience a higher pension benefit reduction as a result of the PSA Original Proposal compared to the FOMB Original Proposal.